

GEOFFREY S. BERMAN
United States Attorney for the
Southern District of New York
By: CASEY K. LEE
Assistant United States Attorney
86 Chambers Street, Third Floor
New York, New York 10007
Tel.: (212) 637-2714
Fax: (212) 637-2686
casey.lee@usdoj.gov

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

Plaintiff,

v.

MICHAEL E. SATZ and MARIETTA M. STAPLES,

Defendants.

18 Civ. _____ (____)

COMPLAINT

Plaintiff the United States of America (the “United States”), by and through its attorney, Geoffrey S. Berman, United States Attorney for the Southern District of New York, alleges on information and belief as follows:

INTRODUCTION

1. This is a civil action brought by the United States on behalf of its agency the Internal Revenue Service (the “IRS”) to reduce to judgment assessments of the federal tax liabilities of defendants Michael E. Satz (“Satz”) and Marietta M. Staples (“Staples”) (together, “Defendants”) for unpaid taxes, penalties, and interest provided by law.

2. This action has been authorized and requested by a delegate of the Secretary of the Treasury and is brought at the direction of the Attorney General of the United States pursuant to 26 U.S.C. § 7401.

JURISDICTION AND VENUE

3. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1340 and 1345, and 26 U.S.C. § 7402(a).

4. Venue in this district is proper pursuant to 28 U.S.C. §§ 1391(b) and 1396 because Defendants reside in the Southern District of New York and the tax liabilities giving rise to this action accrued in the Southern District of New York.

PARTIES

5. Plaintiff is the United States of America.

6. Defendants Satz and Staples, husband and wife, respectively, are natural persons whose primary residence is 125 East Meadowbrook Lane, Staatsburg, New York 12580-6313.

**CLAIM FOR RELIEF
(Reducing Tax Assessments to Judgment)**

7. The United States repeats and re-alleges the allegations in Paragraphs 1 through 6 as though fully set forth therein.

8. On the dates indicated below, a duly authorized delegate of the Secretary of the Treasury made the following assessments against Defendants for deficiencies in the payment of federal income taxes for tax years 2006, 2008, and 2015. The components of the outstanding obligations, which total \$1,390,881.38 as of December 14, 2018, are set forth in the following table, along with the dates on which the IRS filed Notices of Federal Tax Liens (“NFTL”) in the Office of the County Clerk, Dutchess County, New York, against Defendants:

Tax Period	Tax Type	Assessment Date	Unpaid Assessed Balance	Penalties & Interest (as of 12/14/2018)	Total Lien Amount (as of 12/14/2018)	NFTL Record Date
2006	1040	2/18/2008	\$1,056,071.73	\$140,925.35	\$1,196,997.08	5/8/2008 (refiled 4/17/2017)
2008	1040	7/20/2009	\$164,044.60	\$21,925.61	\$185,970.21	9/8/2009 (refiled 9/28/2018)
2015	1040	8/29/2016	\$6,015.57	\$1,898.52	\$7,914.09	12/5/2016

9. The total lien amounts in the above table reflect Defendants' unpaid assessed balances and accrued penalties and interest as of December 14, 2018. Interest, penalties, and other statutory additions have continued to accrue on the outstanding obligations pursuant to law.

10. On or about the assessment dates set forth in the tables above, the IRS issued notices of assessment and demands for payment to Defendants. The IRS also made numerous other attempts to collect the foregoing tax liabilities through correspondence and direct contact with Defendants, all of which have been unsuccessful. Despite notice and due demand by the IRS, Defendants have neglected or refused to pay the full amount of the assessed liabilities. The IRS has exhausted all administrative remedies in attempting to collect the amounts due.

11. By reason of the foregoing, and pursuant to 26 U.S.C. §§ 6321 and 6322, federal tax liens in favor of the United States arose as of the dates of the assessments and attached to all property and rights to property of Defendants.

12. By this action the United States seeks to reduce the aforementioned tax liabilities and liens to judgment.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff the United States of America demands judgment:

a. Awarding the United States and reducing to judgment in favor of the United States the amount of the assessed and accrued federal tax liabilities of Defendants, as set forth in Paragraph 8 above, including taxes, penalties, interest, fees, and statutory additions, which, as of December 14, 2018, totals \$1,390,881.38, plus penalties, interest, and statutory additions accruing thereon from December 14, 2018, to the date of judgment, according to law (less any payment made and credited against the foregoing);

b. Granting the United States its costs, disbursements, and such further relief against Defendants as the Court may deem just and proper.

Date: New York, New York
December 20, 2018

GEOFFREY S. BERMAN
United States Attorney for the
Southern District of New York
Attorney for the United States of America

By: /s/ Casey K. Lee
CASEY K. LEE
Assistant United States Attorney
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